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Why the Elderly Wait . . . and Wait

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WASHINGTON
MAYBE this will be the year when Congress finally passes the biggest expansion of Medicare since 1965 and gives prescription drug coverage to 40 million elderly and disabled Americans. But almost nobody here is betting on it.

Instead, the widely held expectation is that the long political stalemate on health policy will continue — that a nation that has learned to tolerate 39 million uninsured will also, at least for another year, tolerate millions of elderly struggling to cope, largely on their own, with soaring drug costs. Democrats and Republicans alike will go home this fall, denounce each other as obstructionists and promise, if re-elected, to do something about prescription drugs for the elderly — next year. And this time, maybe, they will really, really mean it.

But even that may not help. For the fight over prescription drug benefits has become a proxy for the larger struggle over health care itself, with all the questions that are achingly unresolved: What should be the role of the federal government? How do Americans cope with rising health care costs, spurred by an aging population and an explosion in medical technology? How much health care do Americans have a right to?

As it turns out, the debates have paralyzed the political system not only on the broadest issue — whether and how to move to universal health insurance — but also on what seems, at first glance, a narrow one.

Otherwise, it wouldn't be this hard.

The elderly are supposed to be the 800-pound gorillas of American politics, the ones who show up, disproportionately, to vote and whose needs get met, pronto.

And it is difficult to argue with their needs. While more than two-thirds of the elderly piece together some coverage for drugs, mostly from former employers or H.M.O.'s, their coverage is increasingly limited and unreliable. And the cost of drugs keeps climbing.

Medicare beneficiaries spent an average of $813, out of pocket, on prescription drugs in 2000 and $928 in 2001, and are spending $1,051 in

2002, according to the Kaiser Family Foundation, a health research group. A reporter visiting senior centers with Congressional candidates routinely hears older people, on the verge of tears, recite their monthly bills and their monthly Social Security check and plead for help. The oldest are among the most vulnerable; an estimated 45 percent of those 85 and older have no prescription drug coverage.

It is easy to blame the stalemate on partisanship, especially this year. The combination of an imminent midterm election and a House and Senate that are up for grabs is hardly conducive to bipartisan cooperation. And the presidential election is just two years away.

But this is about more than partisan advantage. The two sides fundamentally disagree about the government's role in health care, a clash that the Democrats won in 1965, when Medicare was created, then lost in 1994, when President Bill Clinton tried to cover everyone through an impossibly complex set of federal mandates.

The prescription drug benefit has become the first battlefield in the broader fight over the future of Medicare — a popular program, but one that needs updating. Medicare is particularly troublesome to conservatives, being a classic, government-run insurance program, rich with regulations and detailed reimbursement rules. Instead, Republicans yearn for what they call the "choice" and "freedom" of a vigorous marketplace of private health plans competing for the elderly's business (although Democrats note that the experience with private plans and the elderly is very uneven.)

GIVEN these positions, the Republican drug plan, which is expected to pass the House this week, envisions the new drug benefits coming from private insurance companies, albeit with government subsidies and standards. And the Democratic plans propose adding a standardized drug benefit to traditional Medicare.

"Health care is the Rorschach test of American political ideology these days," said Bruce Vladeck, acting chairman of the geriatrics department at Mt. Sinai School of Medicine, who was overseer of the Medicare program under Mr. Clinton. Gail Wilensky, a senior fellow at Project Hope, a health education foundation, who oversaw Medicare for the first President Bush, agreed. "Unlike many things in Washington, this is an issue worth fighting about," she said.

Even if they could find a way to split the difference on ideology, lawmakers would still have to pay for a decent benefit. Older Americans are 13 percent of the population, but account for 34 percent of prescriptions. And the most generous proposals in Congress would cover only a portion of the elderly's drug costs. The fear on Capitol Hill, in fact, is that the elderly, once they get a benefit, are bound to be disappointed by how limited it seems. But even a cheap benefit costs a lot.

"Is it unaffordable?" said Robert Reischauer, president of the Urban Institute

and a health issues expert. "No. But we can't have low taxes, growing defense spending, increased resources devoted to education and other domestic priorities and a more adequate Medicare benefit package."

One way to do more with less is to control the costs of drugs. Which brings up the pharmaceutical industry, which has political clout to put the elderly to shame.

Public Citizen, the liberal watchdog group, reported recently that the drug industry last year employed 623 lobbyists — 23 of them former members of Congress, 32 of them former staffers for the two House committees at work on Medicare drug legislation. Representative Tom Allen, a Maine Democrat and a critic of the industry, said in an interview, "Its combined economic and political power is allowing it to stop what a very large majority in this country — not just seniors — believe is needed."

But the drug industry also has a powerful argument: adding a drug benefit directly to traditional Medicare, it fears, will lead inevitably to government price controls. And price controls, industry officials argue, will hurt the research that has created many wonder drugs in the past 10 years — and raises the promise of future cures for diseases like Alzheimer's.

Critics say much of the industry is more focused on marketing and slightly modifying existing drugs than on inventing new ones. "This notion that you need to be this large conglomerate with large profits to sustain R & D is just wrong," argues Nancy Chockley, president of the National Institute for Health Care Management Research and Educational Foundation, which receives funds from insurance and managed care groups. "I think the industry needs cost containment."

IN the face of so many barriers, many experts say nothing major will happen on Medicare drug benefits — or health care — until one side or another wins a strong majority in both houses. It was not until the Democratic landslide of 1964 that the logjam on creating Medicare broke.

And this, in its own way, is a big challenge for the political system. The country is aging. There is an unending appetite for new drugs, procedures, treatments — and medicine offers more each day. On the horizon is the aging tsunami of the baby-boomers, who are already accustomed to their Lipitor and Paxil, and likely to be ever more avid health care consumers the older they get.

Health care costs are already rising sharply, and there is no real consensus about what to do about it. "We killed managed care, or evolved it into a form more tolerable to the American people," said Drew Altman, president of the Kaiser Family Foundation. "And nobody has a big idea, or a good idea, of what comes next. In the absence of any big idea for reforming the system, for controlling costs, what we resort to time and again is incremental changes."

And, of course, learning to live with inequities in American health care.